

OFFICE  
OF THE COMMISSIONER  
FOR PATENTS  
FISCAL YEARS 2002 - 2006



The Director of the United States Patent and Trademark Office  
Has received an application for a patent for a new and useful invention. The title and description of the invention are enclosed. The requirements of law have been complied with, and it has been determined that a patent on the invention shall be granted under the law.

The  
United  
States  
of  
America

Therefore, this  
**United States Patent**  
Grants to the person(s) having title to this patent the right to exclude others from making, using, offering for sale, or selling the invention throughout the United States of America, subject to the payment of maintenance fees as provided by law.

If this application was filed prior to June 8, 1995, the term of this patent is the longer of seventeen years from the date of grant of this patent or twenty years from the earliest effective U.S. filing date of the application, subject to any statutory extension.

If this application was filed on or after June 8, 1995, the term of this patent is twenty years from the U.S. filing date, subject to any statutory extension. If the application contains a reference to an earlier filed application, the term of the patent is twenty years from the date on which the earliest application was filed, subject to any statutory extension.



*Thomas A. DiGiuseppe*  
Director of the United States Patent and Trademark Office

OFFICE OF THE COMMISSIONER OF PATENTS  
FISCAL YEARS 2002 — 2006 STRATEGIC PLAN

August 2000

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# KNOWLEDGE CAPITAL

*“...intellectual property (IP), once considered the most boring subject in the world. Until very recently, in fact, simply mentioning the words patents or intellectual property at a social gathering was guaranteed to invite blank stares, followed by an awkward shuffling of feet as everyone suddenly spotted dear old friends that he or she simply had to go talk to. Today, patent lawyers attract small crowds at parties...The old industrial era has been supplanted by a new knowledge-based economy in which ideas and innovation rather than land or natural resources have become the principal wellsprings of economic growth and competitive business advantage.”*

*Kevin G. Rivette and David Kline  
Rembrandts in the Attic  
Pages 1-2*

*“Knowledge capital exists in every industry, but seldom to the degree found in the drug business, where value resides chiefly in brand recognition, patents, reputation, and research pipelines.”*

*S.L. Mintz  
CFO Magazine  
April 2000, page 35*

*“The new methods of valuing stocks are not based on price-to-book or dividends. They are based on product development, technology promise, the quality of your product line, intellectual capital.”*

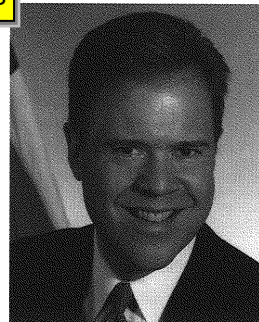
*Richard Driehaus  
Driehaus Mutual Funds  
Washington Post, Business Section  
January 23, 2000, page H3*

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## MESSAGE FROM THE UNDER SECRETARY OF COMMERCE FOR INTELLECTUAL PROPERTY AND DIRECTOR OF THE UNITED STATES PATENT AND TRADEMARK OFFICE



This is an extraordinary time, and one of great opportunity, to be a part of the United States Patent and Trademark Office family. When we read our Nation's history, we are reminded of how the patent system has been the foundation of our country's great technological progress. I sometimes wonder if George Washington, Thomas Jefferson, or James Madison fully envisioned the potential for our Nation by creating the patent system when they did so in 1790. The responsibility given to us by the Founders is therefore not only to administer the patent system, but to rise to the challenge of the future.

The many challenges arising from new inventions, whether mechanical, computer-based, or genomic, demand creative responses from us. That is why I am pleased that the Office of the Commissioner for Patents has produced this Patent Strategic Plan. This Plan emphasizes the major components of excellence that we must continually strive to master: enhancing the quality of our products and services, optimizing our processing time, enhancing our employees' well-being, and integrating our business practices into electronic government.

When the history of this era is written, I believe that the United States patent system will be regarded as the principal driving force behind America's economic success, which has created one of the highest standards of living in the world. This has only become a reality through the diligent effort and hard work of the employees of the Patent Business Organization.

I look forward to a future where our work continues to benefit not just our present customers but all future generations that use the patent system.

A handwritten signature in black ink, appearing to read 'Q. Todd Dickinson'.

Q. Todd Dickinson



## MESSAGE FROM THE COMMISSIONER FOR PATENTS

I am honored and excited to introduce to you the first Patent Business strategic plan since the United States Patent and Trademark Office became a Performance-Based Organization (PBO), with the passage of the American Inventor Protection Act of 1999. This is indeed an exciting and challenging time for the Patent Business and for all of us who dedicate our working lives to the protection of intellectual property. Patents have become increasingly valuable in our knowledge-based economy. Many have even said that patents are the currency of the information age. Our daily operations produce the commodity and provide the cornerstone that protects intellectual property in the market place.

I am very proud of this plan, because it is the result of listening to and soliciting input from our customers, stakeholders, and employees. The goals and objectives set forth in this Patent Business strategic plan will provide the framework that will enable us to operate as a true performance-based organization. This plan outlines how we will provide the improvements in our operations and enhancements in our products and services that our stakeholders and customers both expect and deserve.

I look forward to working with our customers, stakeholders, and employees to achieve the goals set forth in this plan.



Nicholas P. Godici



Deputy Commissioner for Patent Examination Policy, **Stephen G. Kunin**; Commissioner for Patents, **Nicholas P. Godici**; Deputy Commissioner for Patent Operations, **Esther M. Kepplinger**; Deputy Commissioner for Patent Resources and Planning, **Edward R. Kazenske**

## STRATEGIC PLANNING PERSPECTIVE



The Patent Business launched its first strategic plan in 1997, with five over-arching goals: reduce processing time to 12 months or less for all inventions, establish fully supported and integrated industry sectors, receive applications and publish patents electronically, exceed our customers' quality expectations through the competencies and empowerment of our employees, and assess fees commensurate with resource utilization and customer efficiency. For the past several years we have charted our course by these goals; setting targets to attain them, shaping our budgets around them, and measuring our progress towards achieving them. That first plan has served us very well, but it is now time to revisit those goals.

*There is only one  
logical way to keep  
pace with rapid  
change and  
continuous  
challenges—  
plan for them.*

Today's Patent Business Plan must address current and expected challenges arising from the rapid increase in filings (including those dealing with e-commerce and nanotechnologies), the resulting explosion in paper and the need to better manage our work, the complexities in the biotechnology arts arising from the human genome project, the rise of bioinformatics, and the need to expand our work environment into the Internet Age and e-government. We also need to periodically reassess where we are and where we are going in light of budget fluctuations, unforeseen external factors affecting our work such as international treaties, new laws, new policies, and changes in the economy. This new strategic plan assesses the changing external and internal environments, and lays out a fresh framework which will guide us as we enhance the quality of the products and services provided to our customers.



## OUR VISION, MISSION, AND VALUES



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### *PATENT VISION*

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Be a world class, flexible, and business-oriented organization with a dedicated, highly skilled, and empowered work force that provides customer-valued and globally respected patents and services.



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### *PATENT MISSION*

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To Help Our Customers Get Patents.



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### *PATENT VALUES*

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Supporting the Patent Vision are the values of the Patent Business: integrity, respect, trust and teamwork among our people, and commitment to leadership and excellence in the delivery of products and services to our customers.



Patent Senior Management Team at a Planning Session





## OUR EXTERNAL ENVIRONMENT

As set forth by the Constitution, Article I, section 8, Clause 8, states: “Congress shall have the power...to promote the progress of science and the useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries.” Our patent system finds its inception in these words. It is a system that has provided the incentives for great innovations, and a system that forms a foundation for our knowledge-based economy. As the administrators and guarantors of the United States patent system, the Patent Business employees of the U.S. Patent and Trademark Office bear a unique honor and responsibility.



*Each year brings  
unprecedented  
growth to the Patent  
Business.*



### Legislative Developments

Congress recently enacted the American Inventor’s Protection Act (AIPA) of 1999, the most significant change to the patent system since the 1952 Patent Act. Major changes emanating from the legislation include establishment of the agency as a Performance Based Organization (PBO). Provisions of the PBO provide the USPTO with independent control over administrative and management functions, and establish the Patent and Trademark operations as separate operating units within the agency. This landmark legislation also creates a Patent Public Advisory Committee to review and report on the policies, goals, performance, budget, and user fees of the Patent Business, with representatives of small and large entity applicants, as well as independent inventors, and labor organizations representing employees of the Office.

Additionally, the AIPA establishes changes in the procedures available for the reexamination of patents. It retains the existing *ex parte* reexamination procedure. In addition, it provides for an optional *inter partes* reexamination procedure that expands third party participation rights by permitting the third party requester to comment on each patent owner response to an Office action on the merits, as well as to appeal to the Board of Patent Appeals and Interferences, while prescribing specific estoppel provisions applicable to the third party requester.

A new concept introduced by the AIPA is the “14-4-4-36” timeliness standard. This provides that issuance of a first Office action on the merits of the claimed invention more than 14 months from the filing date, or issuance a patent more than 36 months from the filing date, will result in a commensurate restoration of patent term to the diligent applicant. Patent term will also be restored when a response to an applicant's reply to a rejection or appeal is not mailed within four months of receipt by the Office, when action is not taken on an application within four months of a decision of the Board of Patent Appeals and Interferences or the Federal courts, or when a patent issues more than four months from the payment of the issue fee.

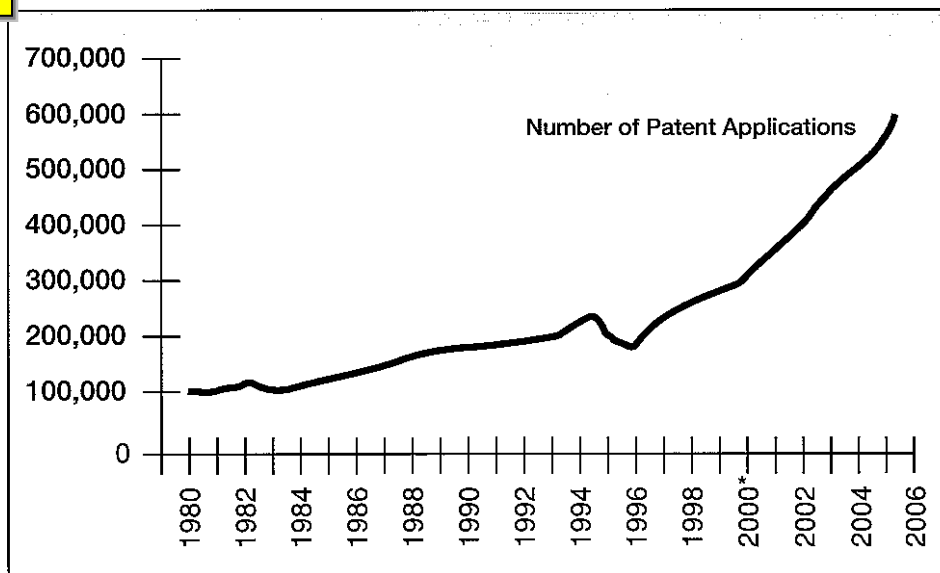
The protective mantle of the U.S. patent system encompasses both the incentives offered to inventors to share their discoveries, as well as the benefits that accrue to society as a whole from the disclosure of the inventive concepts. Therefore, to support these parallel objectives it is incumbent upon the Patent Business to both maximize the term of patent protection for the inventor by reducing internal processing time, as well as to avoid the extension of patent term beyond that warranted by law.

The information disseminated by U.S. patents continues to revolutionize the world, however this is not true of patents granted years after research was performed. To address this issue, the AIPA also provides for the publication of patent applications 18 months after filing unless the applicant requests otherwise upon filing and certifies that the invention has not and will not be the subject of an application filed in a foreign country. Early publication of patent applications is of great benefit to the public since it provides advance notice of upcoming technological trends. In addition, provisional rights are available to the patent applicants to obtain reasonable royalties if others make, use, sell, or import the invention during the period between early publication and grant of patent rights.



## Demand for Products and Services

Intellectual properties in general, and patents in particular, are in demand as never before. Each year brings unprecedented growth to the Patent Business. When the first Patent Strategic Plan was issued in 1997, the annual filing rate of growth at that time was averaging around 6 percent. As demonstrated in Figure 1, growth in patent application filings has accelerated in recent years, so much so that we currently are projecting 12 percent average annual growth rate, twice the previous growth projection.



\*FY 2000-2006 figures are projections based on past growth

**Figure 1**

There are a number of factors influencing this unprecedented growth rate. As the evolution of the world's economy expands to the Internet Information Age, so too do new knowledge-based frontiers. Many high-tech businesses, such as computer storage, telecommunications, software, e-business, and biotechnology companies rely heavily on intellectual property for protection of their inventions, as well as, preservation of the core of their competitive advantage. Intellectual property



systems have been strengthened worldwide; and the knowledge-based frontiers seeking patent protection have expanded to new arenas including biogenetics, computer software, and business methods.

Indeed, companies are realizing that an array of patents managed as an intellectual property “portfolio” does more than offer protection of key business products and processes; it can deliver significant benefits to a company’s bottom line. Not only do patents offer the means to protect a company’s innovation, they provide business opportunities to attract investments, engage in strategic commercial and license partnerships, and stake out claims in new markets.

The increase in filings also reflects an appreciation for the quality and value of the products and services that the Patent Business offers.

To effectively manage this tremendous growth, creative management, dedicated employees, innovative business practices, the latest technology, and a steady revenue stream are requisite.

By its very nature of rewarding creativity, the patent system is highly valued in all technologies – but none more so than leading edge technologies. As illustrated in Table 1, the accelerating pace of innovation is matched by the increasing technological complexity of patent disclosures, with the strongest growth in filings occurring in the complex areas of communications, computer software, biotechnology, and semiconductor inventions.



**Table 1**

Technology Center	Average Annual Growth Rate
Biotechnology, Organic Chemistry, and Designs	14%
Chemicals and Materials Engineering	5%
Communications and Information Processing	19%
Physics, Optics, Systems Components, and Electrical Engineering	13%
Transportation, Construction, Agriculture, and National Security	5%
Mechanical Engineering, Manufacturing, and Products	6%
<b>Total Increase</b>	<b>12%</b>



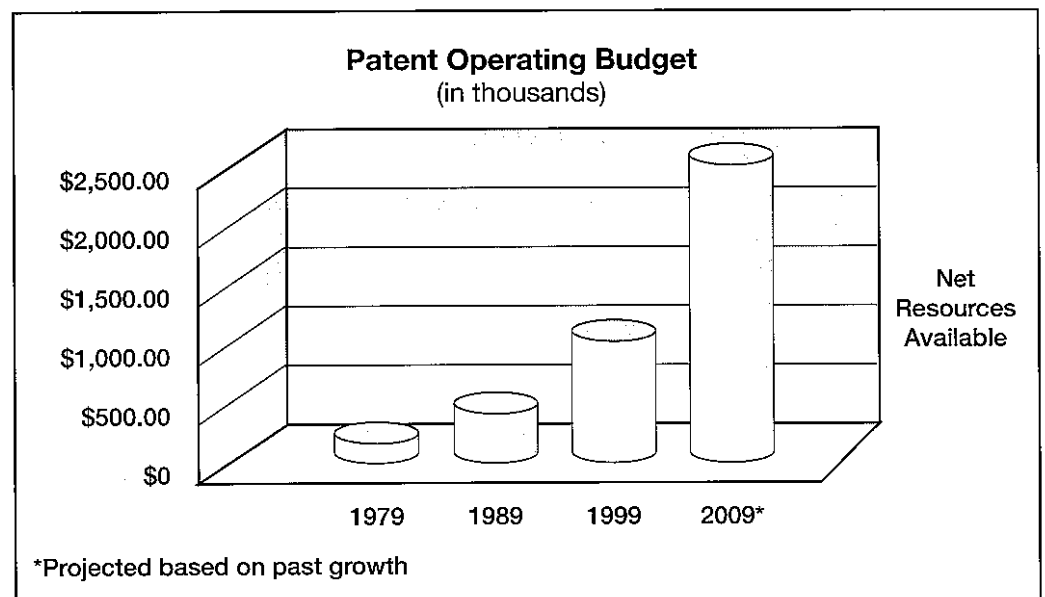
The challenges of managing this growth while improving business performance measures are significant. Through investments in our employees, information technology, e-commerce, and an emphasis on customer service, the Patent Business will meet this challenge.

However, in order to have the resources to apply to this business environment, it is essential that the USPTO retain all its fee revenue. The fees paid by the users of the U.S. Patent and Trademark Systems fund all operations in the USPTO. The USPTO receives no support from the general fund of taxpayer dollars. Even under the provisions of the AIPA, as a performance-based organization, the USPTO is dependent upon Congressional approval for appropriation of our funds. In fiscal year 2000, \$229 million of collected patent user fees were not available to the USPTO until the following fiscal year. The fiscal year 2001 budget is uncertain, but deference in fee availability invariably constrains the flexibility of the USPTO





in making significant organizational and technological improvements. The USPTO will continue to work with the Administration and Congress to secure access to all of the fees paid by our customers.



**Figure 2**



## OUR INTERNAL BUSINESS ENVIRONMENT

### Emphasis on Quality

#### Customer Satisfaction

We have carefully analyzed our customers' needs and expectations, which were identified through multiple avenues, including surveys, focus sessions, roundtable discussions, and town hall meetings. In response to what we have learned, we have instituted a quality assurance program based upon continuous quality improvement principles and techniques, expanded the patent quality review process, and put in place customer service representatives. Customer feedback surveys have told us that we are making notable progress in: the length of time from application filing until a filing receipt is issued, examination quality, perceptions about services received for fees paid, directing calls to the proper office or person, returning calls within one business day, and error corrections. In 2000, our overall customer satisfaction measure was 64 percent, a fourteen - percent improvement since our first measurement in 1996. Our overall customer satisfaction target for FY 2006 is 80 percent.

Although the performance measures indicate that our efforts to increase customer satisfaction are beginning to bear fruit, our strategic goals call for more improvement. We must keep in mind that every applicant is a customer deserving our help in getting a patent. The highest quality and value of our patents and services must be reflected in the standards for all that we do. While our customers deserve no less in return for the fees they pay, we have a responsibility to all those affected by the patents we grant.

#### Information Technology

The foundation of the quality of our product is predicated on an awareness of the information that preceded it. Today, our investments in information technology have enabled employees of the Patent Business to leverage the benefits of the information age and the computer revolution in their daily work lives.

Improvements to examiner search capabilities through our EAST (Examiner



### *The Patent Business*

*Mission "to help  
our customers get  
patents" is a  
standard for all  
that we do.*

Automated Search Tool) and WEST (Web-based Examiner Search Tool) enable desktop access to an unprecedented amount of information. All patent examiners, from their own desktop workstation, have the ability to search the full text of over 2.1 million U.S. patent documents issued since 1971; the images of all U.S. patent documents issued since 1790; English language abstracts of 3.5 million Japanese patent documents and 2.2 million European patent documents; the images of European, Japanese and Canadian patent documents from 1920 to date; the Derwent World Patent Index – a value-added patent abstract database covering patent families worldwide; IBM<sup>®</sup> technical bulletins – a key database in the software area; and over 5,200 non-patent literature journals. All examiners also have access to more than 1,000 commercial databases, including Dialogue<sup>®</sup>, Westlaw<sup>®</sup>, Lexis-Nexis<sup>®</sup>, and the Chemical Abstracts Service<sup>®</sup>. With suggestions and input from examiners, EAST and WEST continue to be refined and expanded. The 100% file integrity and unequalled data access form the framework for the migration from a paper-based search facility to essentially a “paperless” e-government, searching environment.

In addition, the full text of over 2.1 million U.S. patent documents issued since 1971 and the images of all U.S. patent documents issued since 1790 are available to the public for free over the Internet.

Our journey towards receiving and processing applications electronically is reflected in the evolving Electronic Filing System (EFS). EFS provides the first step in our efforts to conduct totally electronic processing of patent applications. This multi-phase program has already seen success in the EFS BIO pilot and the EFS Utility pilot. In September 1999, the Patent Business inaugurated electronic filing capabilities with the EFS BIO pilot by receiving the first gene sequence listing filed over the Internet. The second phase of EFS, the EFS Utility pilot, was launched in December 1999 when the first new utility patent application was filed over the Internet. We will continue to perfect the ease-of-use and scope of EFS and work with our customers in the EFS Utility pilot to address their business needs

and reap the internal USPTO operational efficiencies that are essential to our ability to process our growing workload. Current plans call for full production deployment of EFS in the fall of 2000. Patent applicants anywhere in the world will be able to download the EFS software from our Electronic Business Center (EBC) on the USPTO Website, and file utility patent applications over the Internet. This technology is also to be used to support our new publication of patent applications under the AIPA.

To provide improved service to the public through unprecedented access to information about their patent applications, the USPTO deployed the Patent Application Information Retrieval (PAIR) system. PAIR provides applicants and their designated agents or attorneys 24 hours a day, 7 days a week, secure, real-time information on their pending or abandoned applications. Patent information in PAIR is also available to the public.

Our TEAM (Tools for Electronic Application Management) project will ultimately provide USPTO employees with an “electronic file wrapper” that will provide managed, multiple-individual access to the contents of patent applications. Examiners will see incrementally deployed benefits of TEAM, beginning in Fiscal Year 2001, with a pilot program featuring electronic claim diagramming.

### **Reengineering Update**

From March 1998 through March 1999, the Patent Business tested new ways of conducting business in our Patent Reengineering Lab. Modern office layouts supported functional creative relationships among Technical Support Staff and Patent Examiners. In the Lab, volunteers from the Technical Support Staff and the Examining Corps truly worked together and explored new ways of sharing responsibilities in processing patent applications. Building on the lessons learned from the Patent Reengineering Lab, we continue to experiment with programs to increase our operational efficiencies and teamwork to support our strategic goals. To address the increase in application filings, we are exploring the feasibility of using different

means and resources to accomplish search and examining activities, thereby focusing the Patent Examining Corps' resources to the critical aspects of patentability determinations.

The AIPA will require the Patent Business to reengineer to even a greater extent in order to integrate the requirements of pre-grant application publications and reexamination processes expanded to provide legislated third party participation. New services will be created to support the interests of independent inventors. We will redefine and streamline our core business process to maximize applicants' effective patent term and minimize the need for patent term extensions.

We will also begin planning for a virtual examination center, and processing selected applications in a remote location. Based on processes explored in our Reengineering Lab environment, this virtual examination center will define and test the requirements of an e-government operation and may lead to future Internet-based environments and satellite offices.

### **Emphasis on Our Employees**

Studies continuously show a link between employee satisfaction, customer satisfaction, and achieving business results. We gauge employee satisfaction a critical priority. Our employee satisfaction rating has increased 6 percent between 1996 and 1998. The USPTO is a great place to work and we will focus on continually improving our work environment for our employees.

### **Professional Development**

A major component of our emphasis on quality is reflected in the training opportunities available to our employees. We are committed to providing career development opportunities for our staff, as well as the guidance and training necessary to thrive in an increasingly competitive business environment.

Developmental resources such as USPTO University, the patent academy, and the technical support academy are available for all employees. The Patent Business is



expanding its commitment to providing developmental opportunities for its employees. For example, a new Patent Business Automation Training program will take effect in FY 2001, providing increased training offerings, employee self scheduling, and revised training materials. Existing programs including the Examiner Education Program, and in-house and off-site legal and technical training are continuously evaluated and available for our examiners.

### **Diversity**

We are committed to having a diverse work force of talented individuals where differences are valued. This means creating an inclusive organization where our employees are empowered to serve our customers and achieve our business goals. We have broadened our recruitment efforts to attract applicants from diverse sources so that top quality candidates can be considered for all Patent Business positions. We are promoting awareness about Patent Business employment opportunities and the importance of science and engineering at colleges and universities with high minority and female enrollments.



Patent Examiners learning state-of-the-art technology in tools at a Technology Fair

### **Labor Relations**

Our Patent Business employees are represented by two focused and involved labor unions: the National Treasury Employees Union 243 (covering our Technical Support Staff), and the Patent Office Professional Association (patent examiners). We are dedicated to working with our unions in a partnership framework, through which we continue to address employee interests and concerns as we strive to achieve our business goals.

### **Quality of Life**

To create a balance between the work lives and personal lives of our employees, we are striving to promote a culture of trust and flexibility that supports an employee-friendly work place. The Family and Medical Leave Act, Leave Transfer, Employee Assistance, expanded Transit Subsidy, Flex Time, Compressed Work Week, various Compensatory Time programs, a part-time program as well as the Fitness Center, are some of the benefits we offer to our employees. Additionally, the Patent Business is currently evaluating a work-at-home program to expand the effectiveness of our employees.

The USPTO has announced its intention to consolidate its facilities in Alexandria, VA. The proposed new campus will comprise five office buildings interconnected by enclosed and environmentally controlled skywalks, with two parking garages flanking the campus. The new USPTO facility is within walking distance of two Metro stations, is close to existing restaurants and residential, office, and hotel development, and will include a fitness center, daycare facility and cafeteria.



## OUR STRATEGIC VIEW

The new Patent Business strategic goals for the years 2002 through 2006 flow seamlessly from those set forth in 1997 by focusing on the key concepts still applicable today. These core ideas stress the importance of refining the quality of our products and services, maximizing efficiencies in processing time, enhancing employee well-being, and expanding e-business capabilities. This Patent Business strategic plan is a dynamic, evolutionary document that will chart our course into the future, in fulfillment of our mission to help our customers get patents.



Newly appointed members of the Patent Business Executive Team: Allen MacDonald, Anne Chambers, Jim Dwyer, Jackie Stone, Howard Goldberg



*Our goals and objectives are geared toward refining the quality of our products and services, maximizing efficiencies in processing time, enhancing employee well-being, and expanding e-business capabilities.*



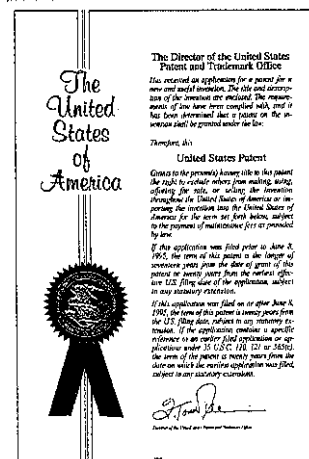
## OUR PRODUCTS

### Goal One – Enhance the Quality of Our Products

#### Objectives:

- Reduce the number of allowed applications with a material or significant defect
- Reduce the number of allowed applications where a significant quality question relating to the quality of the examination process was raised
- Increase the customer satisfaction level with setting forth positions clearly in written communications
- Increase the customer satisfaction level with the results of search of the prior art

Our customers are concerned with the quality of the products and services they receive in exchange for the fees they pay. The Patent Business has made great strides in meeting these expectations: increasing customer satisfaction 14 percentage points from 1996 to 2000. We will continue to place a high priority on quality improvement activities. One of our goals for the future is to improve key products identified as important to our customers through outreach sessions and surveys. Maintaining the U.S. Patent Classification system, as well as, making significant improvements to other search tools will enhance examiners' search capability that will help produce a high quality search and provide a clear, complete first Office action.







## OUR SERVICES

### Goal Two – Improve the Quality of Our Services

#### Objectives:

- Reduce procedural, process problems and unresolved issues in all business activities
- Improve the handling of customer complaints
- Shorten the time to return phone calls
- Improve process management of files and papers
- Improve the quality and timeliness of filing receipts

A companion goal to enhancing the quality of our products is enhancing the quality of our services. Satisfaction with the service provided to our customers is high, given the nature of our business. Yet, there continues to be opportunities for improvement. Some of these areas for improvement include problem resolution, returning telephone calls within one business day, directing customers to the correct point of contact, the timely mailing of correct filing receipts, and prompt delivery of faxes to examiners. We will continue to stress the need to improve in these activities. We have also given customers direct access to their PALM information through the PAIR system; and as EFS is deployed, it is expected to improve both timeliness and quality of filing receipts. We will continue to broaden our outreach efforts and continue to explore alternative services that meet or exceed our customers' needs.



Recipients of Customer Service Award: Joe Cheng and Helen Childs





## OUR BUSINESS

### Goal Three - Optimize Our Processing Time

#### Objectives:

- Shorten the time to first Office action
- Reduce the time to reply to an applicant's amendment
- Reduce the time to actuate a decision of the Board
- Compress the time to patent grant after issue fee payment
- Minimize processing time to reduce overall pendency

As stated earlier, our patent system has been the foundation of our great innovative success, by carefully balancing the exclusivity incentive it offers against disclosure and openness of the invention that accrues to society as a whole by the use of the invention once the term of patent protection has ended. It is critical for the USPTO to maximize the term of patent protection for the inventor, as well as, avoid extension of patent term beyond that necessary.

The AIPA legislation provides a guarantee that would ensure that diligent applicants maximize their patents' terms. Failure of the Patent Business to: (a) issue a first Office action within 14 months of filing, (b) respond to an applicant's reply to a rejection or to an appeal brief within 4 months, (c) act on an application within 4 months of a decision of the Board of Patent Appeals and Interferences or a decision of the Federal courts, (d) issue a patent within 4 months of payment of issue fee, or (e) issue a patent within 36 months of filing, will result in the patent term being extended a day for each day of delay.



## OUR EMPLOYEES

### **Goal Four - Enhance Our Employees' Well-Being**

#### **Objectives:**

- Improve the retention of our skilled employees
- Improve effectiveness and timeliness of training
- Align recognition to contributions and achievement of business goals
- Improve resources to enable our employees to carry out their organizational responsibilities
- Extend empowerment while more clearly delineating expectations
- Improve the scope of communication and involvement of employees in their respective operations

Employee ownership and accountability for providing high quality customer service characterize the Patent Business environment of the future. The Patent Business views our employees as our most valuable resource, and understands the importance of updating and expanding their skills, knowledge, and abilities. By providing opportunities for employees to expand their professional competencies and experience personal growth and development in their careers, we are developing a diverse and expert staff genuinely interested in, and capable of, supporting and helping our customers get patents. As employee satisfaction increases, USPTO expects customer satisfaction and business performance to increase also.



## OUR FUTURE

### **Goal Five – Integrate Our Business Practices Into Electronic-Government**

#### **Objectives:**

- Expand and refine electronic tools to leverage information technology benefits for our business processes
- Expand the effective utilization of electronic business tools among our customers and employees
- Expand employee and customer input in automated tool design
- Use opportunities provided by electronic tools to reengineer Patent Business processes
- Increase methods, means, and use of electronic communication

The Patent Business must move aggressively to be able to conduct business in an e-commerce environment. Our customers expect the USPTO to avail itself of the most current information technology enhancements to improve our business quality and efficiency. Clearly, all Patent Business automation initiatives must be predicated on defined improvements in business processes.

A major focus of our e-commerce activities will be aimed at reducing internal USPTO administrative costs and enhancing quality. Our current paper based manual processes will not withstand the rigors of an Internet world. Well-designed automated tools can help solve the concerns of misplacement of paper records, manual data recordation, transport of paper files, and paper search file integrity.

Information technology will be rigorously applied to all aspects of our current paper handling processes. The objective will not be to simply automate current paper-based activities, but rather to capitalize on the strengths of IT to achieve substantive savings in USPTO administrative activities. Such efforts will focus on tangible improvements in internal processing times, as well as, increases in the quality of USPTO products and services.



Success in an e-commerce environment is predicated on customer satisfaction. As the Patent Business moves to e-commerce, we will expand our practice of listening and responding to the business needs of our diverse customer community by means of the Internet and other electronic forums. Information technology development in the Patent Business will include as a requirement the creation of business benefit opportunities for our customers. We will expand our venues of dialogue with our customers as we develop and test our automated systems, to insure their business requirements are addressed. Because changes in our business processes often result in concomitant modifications in customer practice, we will be sensitive to the many transitional issues faced by stakeholders and customers, as we move to e-commerce.

Employees of the USPTO will need to continually refine their skills to make use of the benefits provided by automation. The Patent Business will provide all employees with training opportunities to allow efficient and effective utilization of automated tools. Employees will be expected to be familiar with automated tools and learn new skills and techniques. Patent Business employees will continue to constructively participate in establishing requirements for new automated systems.

The e-commerce environment is providing opportunities to improve the way the Patent Business nourishes and preserves its corporate knowledge. Our employees will continue to be at the heart of the Patent Business. Through information technology, the experience and expertise of our employees will serve as a concrete resource for both the public and future generations of employees. Electronic management of this knowledge resource will enable Patent Business employees to more effectively share, exchange, and refine their analytical efforts. The application of information technology to our intellectual capital will be a hallmark of our e-government environment.



## LOOKING TOWARD OUR FUTURE AS A PERFORMANCE-BASED ORGANIZATION

This is an exciting and challenging time for the USPTO, for the Patent Business, and for all of us who dedicate our working lives to the protection of intellectual property. In our knowledge-based economy, patents have become increasingly valuable. Our daily operations produce the essential business commodity – patents, which are the cornerstone for the protection of intellectual property in the market place. The goals and objectives set forth in this Patent Business strategic plan will provide the framework that will enable us to operate as a true performance-based organization. This plan outlines how we will provide the improvements in our operations and the enhancements in our products and services that our stakeholders and customers both expect and deserve.

With our Strategic Plan in place, we know the targets toward which we are striving, and the goals to which we aspire. We have ideas for how to get there, and now we must translate our plans into actions through the use of our financial and human resources.

As a Performance-Based Organization we must submit performance oriented budgets that clearly link our plans to the financial resources necessary to carry them out, and to what we aim to achieve toward meeting the expectations of our stakeholders (the Administration, Congress, etc.) and our customers.

All Patent Business employees must be committed to our Mission, Vision, and Values, and to the attainment of our goals and objectives. We all must develop the skills and competencies required to provide first class products and services that are based on the latest technologies and e-business practices. This plan will serve to focus our attention on the priorities, activities, and milestones that will lead us toward the accomplishment of our Mission – To Help Our Customers Get Patents.





# Appendices



## PERFORMANCE TARGETS – GOAL ONE

### Enhance the Quality of Our Products

Measure	FY06 Target
Percent of allowed applications with a material or significant defect	3%
Percent of allowed applications where a significant question relating to the quality of the examination process was raised	5%
Percent customer satisfaction with setting forth positions clearly in written communications	85%
Percent customer satisfaction with results of the search of prior art	90%



## PERFORMANCE TARGETS – GOAL TWO

### Improve the Quality of Our Services

Measure	FY06 Target
Percent customers satisfied overall	80%
Percent customer satisfaction with returning phone calls in one day	90%
Percent customer satisfaction with directing callers to the proper office or person	80%
Average days to mail a filing receipt	5 days
Percent of filing receipts produced accurately	95%



## PERFORMANCE TARGETS – GOAL THREE

### Optimize Our Processing Time

Measure	FY06 Target
Applications receiving first Office actions within 14 months of filing while factoring in term adjustment reductions	80%
Applications receiving actions after an applicant's amendment within 4 months	99%
Applications receiving actions after a Board Decision, within 4 months	99%
Applications granted within 4 months after issue fee payment	100%
Patents granted that do not qualify for term extension for exceeding 36 months	90%



## PERFORMANCE TARGETS – GOAL FOUR

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**Enhance Our Employees' Well-Being**

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Measure	FY06 Target
Rank in survey results of employee satisfaction in government	Top 5%

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## PERFORMANCE TARGETS – GOAL FIVE

### **Integrate Our Business Practices Into Electronic-Government**

Measure	FY06 Target
Business return on e-government investments	10%
Percent of applications filed electronically	75%
Percent annual growth of external customers using USPTO e-government systems	10%
Percent of employees relying on USPTO e-government environment to perform their work	80%



## PATENT BUSINESS EXECUTIVES' COMMITMENT

R. Keays  
John Love  
Rolf Hill  
John Love  
R. Keays

Nicholas P. Fadri  
Esther M. Keppinger  
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